provision for payment of salaries would be suitably adjusted for inflation in accordance with the DA formula accepted by the Govt; and

(iii) The recommendations of the Vth Pay Commission when they are accepted by the Government will be fully provided for.

[Translation]

Central Assistance to Bihar

368. SHRI RAM KRIPAL YADAV :
SHRI KASHI RAM RANA :
SHRI MOHAMMAD ALI ASHRAF FATMI :
SHRI MAHESH KUMAR M. KANODIA :

Will the Minister of FINANCE be pleased to state :

(a) the total additional Central financial assistance sought by various States during the last three years, State-wise, with special reference to Bihar and Gujarat;

(b) the details of the funds actually allocated by the Union Government during the above period, State-wise, year-wise and project-wise;

(c) the reasons for not allocating the full assistance sought by the States;

(d) whether the additional assistance sought during the current financial year has since been released;

(e) if so, the details thereof, State-wise; and

(f) if not, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (f). The annual plans of States are finalised by the Planning Commission to be funded by States' own resources, Centrally allocated resources like market borrowings, negotiated loans and by Central assistance. The annual plans are fully funded. The central plan assistance consists of normal Central assistance, additional Central assistance for externally aided projects, Central assistance for Centrally sponsored schemes transferred to States and special Central assistance for Area Programmes. The States are given funds under above items as per their entitlement/allocation. The States do approach the Central Government for additional assistance due to special circumstances. The Central Government, keeping in view its resource constraints and financial implications, provide additional assistance in very special cases. Based on the information available in the Ministry of Finance, a *Statement* showing details of requests received from the State Governments and the amount provided is enclosed. We have, however, asked for information on this subject from the Governments of Bihar and Gujarat. Any information received from these States shall be laid on the Table of the House subsequently. The requests seeking preponed releases of future entitlements, memorandum seeking Central assistance in the wake of natural calamities and deferment of repayment obligations/ways and means advance are not included in above Statement.

STATEMENT

Additional Central Financial Assistance Sought by States and Amount Provided by the Ministry of Finance During 1993-94 to 1996-97 (upto 08.7.1996)

S. No.	State	Amount (Rs. in crores)	Purpose	Amount provided (Rs. in crores)
1	2	3	4	5
A. 1993-94				
1.	Arunachal Pradesh	200.00	For proper development of roads	Nil
2.	Haryana	200.00	To Liquidate the outstanding of NTPC	Nil
3.	Himachal Pradesh	270.00	For conversion of APA of Rs. 270.00 crores into outright grant or long term soft loan as also additional Central assistance of Rs. 200 crores for 1993-94 and Rs. 600 crores during 1994-95.	268.74 as advance plan assistance
4.	J and K	178.00	Reimbursement of balance claim of security related expenditure of Rs. 178.00 crores.	

1	2	3	4	5
	(ii)	150.72	Arrangements for advance payment for security related expenditure estimated at Rs. 150.72 crores during 1993-94.	112.50
	(iii)	-	To provide additional financial assistance to enable to meet the balance deficit and protect the 1993-94 Plan outlay.	Nil
	(iv)	160 00	Special allotment of Rs 160.00 crores to meet the expenditure on the reconstruction of community infrastructure and other utilities damaged by the militants in the State.	Nil
5	Kerala	150 00	Medium term loan	Nil
6	Manipur	62 79	To cover the opening deficit by an assistance either in the form of medium term loan or grants	62 79 given as advance plan assistance
7	Meghalay			
	(i)	91 00	To provide term loan to cover deficit of 1993-94 so as to avoid overdraft during the year	48 87 provided as advance plan assistance
	(ii)	42 00	To convert ways and means advance into grant	Not agreed to
8	Nagaland			
	(i)	91 91	For conversion of advance plan assistance into one time grant.	91 91 was provided as advance plans assistance which is 90% grant and 10% loan.
	(ii)	55 07	To clear the pending bills	Nil
	(iii)	26 61	For implementation of 3rd Pay Commission Report of the State	Nil
9	Orissa			
	(i)	699 57	For implementatin of action plan for drought prone area of State for the period 1993-94 to 1997-98	Nil
	(ii)	50 00	Addl Market Borowings	15 00
10	Tripura			
	(i)	50 00	To cover gap in resources for the year 1993 94	Nil
	(ii)	100 00	For meeting the repayment liability of the years 1993 94 and 1994-95 by the State Government	Nil
11	Uttar Pradesh			
	(i)	250 00	Additional Market borrowings to clear the overdues of Power Finance Corporation	118 00
	(ii)	24 00	Additional assistance for debt relief to non-rural weavers	24 00 was provided as advance assistance adjusted at the close of the year 1993-94

1	2	3	4	5
B. 1994-95				
1.	Andhra Pradesh	250.00	For implementing the balance component of AP Irrigation-II Project.	Nil
2.	Assam			
	(i)	220.00	Additional market borrowing	30.00
	(ii)	300.00	Advance plan assistance for covering the closing deficit of 1993-94.	Nil
3.	Himachal Pr.			
	(i)	550.00	Against outstanding loans of Rs. 1100.00 crores due from neighbouring States on account of share of energy from Bhakara and Beas Management Board (BBMB) system and supply of power to these States	Nil
	(ii)	100.00	To give effect to the Supreme Court's order to enhance wages to all the daily wages employees in Government Sectors in the State	Nil
	(iii)	268.74	To convert the advance plan assistance of Rs. 268 74 crores provided during 1993-94, as outright grant or a long term loan.	Nil
4.	J and K			
	(i)	550 00	Advance Plan Assistance to cover budgetary deficit	Rs 973 00 as special plan assistance
	(ii)	733 00	Reschudling of Rs 733 00 crores payable during the year 1994-95 without effecting recoveries.	
	(iii)	185.00	For Security related expenditure	96 55 released by M H A. subsequently
5	Kerala	100 00	Additional market borrowing	50 00
6.	Manipur			
	(i)	35 00	To liquidate the outstanding liabilities	Nil
	(ii)	119.00	Special package for economic development of Manipur	Nil
	(iii)	10 00	Request for various schemes drawn up by the State Government for combating militancy.	Nil
7	Meghalaya	50 00	Ways and Means Advance/short term loan to clear the overdraft	Nil
8	Nagaland			
	(i)	152.75	To cover opening deficit, D.A. on Central Government pattern etc.	12.00 as plan-loan and

1	2	3	4	5
	(ii)	80.00	Advance Plan Assistance/Ways and Means Advance to tide over acute financial crisis of the State.	18.00 additional Central assistance
9.	Orissa	250.00	Medium term loan to bridge gap in resources for funding the State's Annual Plan 1994-95.	Nil
10.	Punjab	310.00	To bridge the gap in resources for the Annual Plan 1994-95 and completion of major Power Projects.	Nil
11	Tripura	150 00	Request for Rs. 50 crores of grant, Rs 100 crores interest free loan and 10% additional Central assistance	Nil
12	Uttar Pradesh			
	(i)	51 50	For providing 50% of the expenditure of the local cost of Anpara 'B' Thermal Power Project	Nil
	(ii)	24 00	Additional Central assistance against Advance Plan Assistance given in 1993-94 for debt relief to non-rural weavers.	Nil
C	*1995-96*			
1	Arunachal Pradesh	20 20	For construction of Capital Project	2.0
2	Andhra Pradesh			
	(i)	636	Additional Central Assistance (ACA) of Rs 636 crores as additional Plan support for Annual Plan 1995-96	Nil
	(ii)	150	Conversion of Ways and Means advance of Rs 150 crores into Term Loan	Nil
	(iii)	-	ACA to compensate the State for revenue losses due to the implementation of Prohibition Policy and also due to implementation of Rs. 2 per Kg Rice Subsidy Scheme	Nil
3	Assam			
	(i)	50 00	One time grant for Bodoland Autonomous Council	Nil
	(ii)	136 00	To covert Ways and Means advance given in April, 1995 into term loan	Nil
4	Himachal Pradesh	516 00	To meet State's financial requirements on account of closing deficit of Rs 416 00 crores for 1994-95 and Rs 100 crores on account of liability due to Supreme Court Judgement on enhancement of wages of daily-wage employees in the Government Sectors in the State	Nil

1	2	3	4	5
5.	J and K			
	(i)	71.00	For meeting the requirement of the State Government for interim relief to their employees on Central pattern.	42.34 provided as additional assistance.
	(ii)	67.00	To provide additional grants to the State Government for import of power.	Nil
	(iii)	155.21	Reimbursement of balance amount out of Rs. 251.21 crores related to security items.	143.16
6.	Manipur	18.50	To strengthen State Police Force.	Information is being collected and shall be laid on the Table of the House.
7.	Mizoram	11.14	Special grant-in-aid to the extent of Rs. 11.44 crores which is equal to the shortfall in budget estimates of the year 1995-96 as against the estimates of Tenth Finance Commission for share in Central taxes.	Nil
8.	Orissa	2100 00	To write off loans	Nil
9.	Punjab	259.00	To expedite major Power Projects including Ranjit Sagar Dam	No additional Central assistance was given. However, as a result of the decision of Government of India to waive of repayment of Principal and Interest during 1995-96 on account of Special Term Loan extended to Punjab during 1984-85 to 1993- State's resources went up by Rs 291 crores. This increase was after taking into account non availability of Special Plan Loan of Rs. 600 00 crores in 1995-96 to the State Government
10.	Tripura	18.95	To meet gap between the Tenth Finance Commission (TFC) award and estimated devolution from the Government of India for 1995-96	Nil
11.	Uttar Pradesh			
	(i)	31 00	For waiver of loans of weavers of the non-rural areas.	Nil
	(iii)	772.54	for clearing the dues of Uttar Pradesh State Electricity Board (UPSEB) to Rural Electrification Corporation (REC) upto March 1995 on account of Rural Electrification Programme in the State.	Nil

1	2	3	4	5
D. 1996-97				
1.	Andhra Pradesh			
	(i)	636	ACA of Rs. 636 crores as additional Plan Support for Annual Plan 1995-96.	Since Annual Plan of the State Governments for the current financial year (1996-97) finalised, a view on these requests will be taken at appropriate time.
	(ii)	150	Conversion of Ways & Means advance of Rs.150 crores into Term Loan.	
	(iii)		ACA to compensate the State for revenue losses due to the implementation of prohibition Policy	
2	Assam			
	(i)	326.00	To cover the excess expenditure incurred by the State Government on Internal Security measures in the State during 1990-95.	Under consideration.
	(ii)	30 00	For taking relief and rehabilitation measures for the arson victim families in the recent ethinic disturbances in Kokrajhar and Bongaigaon districts of the State of Assam.	Under consideration
	(iii)	500 00	To improve budgetary resources of the State.	A decision will be taken while finalising State's annual plan for 1996-97.
	(iv)	1000 00	Construction of the permanent Capital of Assam	
3	Haryana	300 00	To convert medium term loan of Rs.300 crores during 1995-96 as 50% loan and 50% grant.	Not agreed to
4.	Himachal Pradesh	500 00	Request for long term soft loan of Rs 500 00 crores	A decision will be taken while finalizing State's annual plan for 1996-97
5	J & K			
	(i)	422.50	To release the funds on account of special plan assistance and special plan loan at the level of 1995-96.	-do-
	(iii)	351 94	To provide special financial assistance to bridge the uncovered gap reflected by the BE 1996-97.	-do-
	(iv)	67 94	To defer recovery of Power dues through the mechanism of Central appropriation during the year 1996-97	Since Annual Plan of the State Governments for the current financial year (1996-97) have yet to be finalised, a view on these requests will be taken at appropriate time
6.	Mizoram	45 00	Long term loan to cover the State's opening deficit of the year 1996-97.	-do-

1	2	3	4	5
7.	Nagaland			
	(i)	1.25	For carrying out the land slide studies of Kohima town for Geo-Environmental studies.	Since annual Plan of the State Governments for the Current financial year (1996-97) have yet to be finalised, a view on these requests will be taken at appropriate time
	(ii)	55.07	To clear the pending bills of work done but payment not yet made by the State Government due to financial crunch of the State.	-do-
	(iii)	19.54	To make good the shortfall of Rs. 19.54 crores due to the difference in estimates of share of Central taxes as made by the Tenth Finance Commission and share of Central Taxes as provided in the Central Budget 1995-96.	Not agreed to
	(iv)	18.00	Revalidation of the Special Plan Loan of Rs. 18 crores (out of the special plan loan of Rs. 30 crores) which was adjusted against the additional Central assistance of an equal amount.	Shall be decided at the time of finalising State's Annual Plan for 1996-97.
	(v)	225.98	Write off of Rs. 225.98 crores of Central Loans to the State	Final decision not yet taken.

[English]

Rebate on Khadi

369. DR. MURLI MANOHAR JOSHI : Will the Minister of INDUSTRY be pleased to state

(a) whether the Government have received any representation for continuance of rebate on Khadi;

(b) if so, the decision taken by the Government thereon;

(c) whether any decision has been taken on the recommendations of the high power committee regarding grant of Market Development Assistance (MDA) on Khadi;

(d) if so, the details thereof; and

(e) if not, the reasons thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Yes, Sir.

(b) to (e) The issue of grant of rebate is linked to the issue of grant of Market Development Assistance (MDA). The High Power Committee set up under the Chairmanship of the then Prime Minister for suggesting measures to revitalise the KVI sector, had recommended introduction of the Market Development Assistance (MDA) Scheme. Government is in the process of taking a suitable decision in this regard.

[Translation]

Resignation by Employees of C.C.I.

370. DR. RAMESH CHAND TOMAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether a number of skilled employees of the units run by the Cement Corporation of India have resigned from service;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to remedy the situation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Yes, Sir. Some of the reasons for the exodus have been the continuous losses incurred by CCI and lucrative terms offered by the private sector.

(c) Govt. has released Plan Funds of Rs. 30.00 crores during the Ist two years for purchase of Diesel Generating Sets and implementation of certain other schemes of CCI to improve its performance. Pay scales of the employees have also been revised, wherever applicable.